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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/917,474	07/27/2001	Donald L. Jacobs	631-001	1092
1009	7590	09/06/2006		
KING & SCHICKLI, PLLC 247 NORTH BROADWAY LEXINGTON, KY 40507			EXAMINER HAVAN, THU THAO	
			ART UNIT	PAPER NUMBER
			3624	

DATE MAILED: 09/06/2006

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/917,474

Applicant(s)

JACOBS ET AL.

Examiner

Thu Thao Havan

Art Unit

3624

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 27 July 2001.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-14 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-14 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☒ The drawing(s) filed on 27 July 2001 is/are: a) ☒ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☒ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☒ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☒ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|---|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)
Paper No(s)/Mail Date <u>10/11/01</u> . | 6) <input type="checkbox"/> Other: _____ |

Detailed Action

Drawings

The Examiner accepts the drawings filed on July 27, 2001.

Specification

Applicant is reminded of the proper language and format for an abstract of the disclosure.

The abstract should be in narrative form and generally limited to a single paragraph on a separate sheet within the range of 50 to 150 words. It is important that the abstract not exceed 150 words in length since the space provided for the abstract on the computer tape used by the printer is limited. The form and legal phraseology often used in patent claims, such as "means" and "said," should be avoided. The abstract should describe the disclosure sufficiently to assist readers in deciding whether there is a need for consulting the full patent text for details.

The language should be clear and concise and should not repeat information given in the title. It should avoid using phrases which can be implied, such as, "The disclosure concerns," "The disclosure defined by this invention," "The disclosure describes," etc.

Claim Rejections - 35 USC § 101

35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claims 1-14 are rejected under 35 U.S.C 101 because the claimed invention is directed to non-statutory subject matter.

The basis of this rejection is set forth below:

whether the invention produces a useful, concrete, and tangible result.

For a claimed invention to be statutory, the claimed invention must produce a useful, concrete, and tangible result. Mere ideas in the abstract (i.e. abstract idea, law of nature, natural phenomena) that do not apply, involve, or use fail to promote the "progress of science and the useful arts" (i.e., the physical sciences as opposed to social sciences, for example) and therefore are found to be non-statutory subject matter. For a process claim to pass muster, the recited process must somehow apply, involve, or use to produce a useful, concrete, and tangible result. A mere intended or nominal use of a component does not confer statutory subject matter to an otherwise abstract idea if the component does not apply, involve, use, or advance the underlying process. Furthermore, the preamble is generally not accorded any patentable weight where it merely recites the purpose of a process or the intended use of a structure, and where the body of the claim does not depend on the preamble for completeness but, instead, the process steps or structural limitations are able to stand alone. See *In re Hirao*, 535 F.2d 67, 190 USPQ 15 (CCPA 1976) and *Kropa v. Robie*, 187 F.2d 150, 152, 88 USPQ 478, 481 (CCPA 1951). In the instant case, the preamble of claim 1 recites "A system". However, the claim as a whole recites the steps of intended use of a structure (i.e., system). Thus, the preamble fails to give "life, meaning, vitality" to the claim as a whole. See MPEP 2111.02. Because the preamble is not accorded any patentable weight as stated above, claim 1 as a whole merely recites steps in the abstract for use in facilitating a purchase of a financed product without producing any useful, concrete, and tangible result. For example, the steps of "providing and maintaining..."; "educating the individual..."; "establishing a working

Art Unit: 3624

relationship..."; "providing and maintaining..."; and "managing...", which comprise the claim as a whole are mere steps in the abstract without setting forth a practical application for producing any useful, concrete, and tangible result. (See *Interim Guidelines*, IV (C)(1, 2)).

Claims 2-14, which depend on claim 1 also fail the test above because they fail to limit to a particular structure.

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims **1-8, 10-12**, and **14** are rejected under 35 U.S.C. 103(a) as being unpatentable over Walker et al. (US 6,088,686) in view of Levitt et al. (US 2002/0035478).

Re claim **1**, Walker teaches a system for facilitating the purchase of an affordable, financed product by end-user individuals in a closed group (col. 1, lines 16-33; Walker discloses "a closed group" when he discloses an entity such as a corporation since a corporation is a particular group of people in a specific company) comprising the steps of:

providing and maintaining an approved network of suppliers of the product that are certified in criteria to meet the needs of the end-user individuals in the group (col. 9, line 32 to col. 10, line 13; Walker discloses relationship pricing based on the criteria of the individual versus the bankers or suppliers);

establishing a working relationship with the closed group (col. 2, lines 1-15; Walker discloses applicant establishes existing relationship with the financial institution);

providing and maintaining a source of financing through an installment loan program from an approved network of financial institutions (col. 7, lines 30-49; col. 8, line 66 to col. 9, line 17; col. 12, lines 30-33; Walker discloses installment loans); and

managing the loan program in conjunction with the representation from the system (col. 8, lines 45-65; Walker discloses local branch representative-LBR- to take over in addition to the automated system),

whereby the individual is assured of obtaining the system guidance and service availability needed for good value in the purchase of the financed product (col. 8, line 45 to col. 9, line 31; Walker discloses applicants are secured an appropriate financial product by both LBR and automated system).

However, Walker does not explicitly teach educating the individual in personal finances and budgeting principles as a prerequisite for approval to purchase the product. On the other hand, Levitt discloses educating the individual in personal finances and budgeting principles as a prerequisite for approval to purchase the product when he discloses educational tutorial in relation to financial loan in a new financial analyst learning-by-doing for processing loans (para. 0140, 0218, and 1126). Levitt discloses a new financial analyst learning-by-doing as his system structures a multi-million dollar financial loan. Thus, it would have been obvious to one of ordinary skill in the art to educate an individual in personal finances and budgeting principles as a prerequisite for approval to purchase the product in a education tutorial for financial loan as discloses in Levitt.

Re claim 2, Walker does not explicitly teach an application for completion by the individual for the purchase of the product and a loan disclosure video for viewing by the individual. On the other hand, Levitt discloses an application for completion by the individual for the purchase of the product and a loan disclosure video for viewing by the individual when he discloses educational tutorial with synchronized video and graphics used to simulate real-world environment and interactions (para. 0003-0005). Levitt discloses a system utilizes an artificial intelligence engine driving individualized and dynamic feedback with synchronized video and graphics used to simulate real-world environment and interactions. Thus, it would have been obvious to one of ordinary skill in the art to implement an application for completion by the individual for the purchase of the product and a loan disclosure video for viewing by the individual in a education tutorial for financial loan as discloses in Levitt.

Re claim 3, Walker teaches verifying the employment and projecting the income of the individual (col. 3, lines 6-19; fig. 20). In figure 20, Walker discloses the income of the individual to verify employment.

Re claim 4, Walker does not explicitly teach assisting the individual in selection of the product for purchase from one of the approved suppliers after the successful completion of the educating step. On the other hand, Levitt discloses assisting the individual in selection of the product for purchase from one of the approved suppliers after the successful completion of the educating step when he discloses once a student has gotten the correct answer, it is important to reinforce the learning (para. 0005, 0143, 0145, and 0390). Levitt discloses reinforce learning involves after the successful completion of the educating step. Thus, it would have been obvious to one of ordinary skill in the art to assist the individual in

Art Unit: 3624

selection of the product for purchase from one of the approved suppliers after the successful completion of the educating step in a education tutorial for financial loan as part of reinforce learning as discloses in Levitt.

Re claim 5, Walker does not explicitly teach personal instruction of the individual concerning financial matters during the educating step. On the other hand, Levitt discloses personal instruction of the individual concerning financial matters during the educating step when he discloses domain expert are separate people who have to collaborate to construct the expert system (para. 0002 and 0143). Levitt discloses domain expert as people assisting users in the educational tutorial. Thus, it would have been obvious to one of ordinary skill in the art to implement personal instruction of the individual concerning financial matters during the educating step by a domain expert in a education tutorial for financial loan as discloses in Levitt.

Re claim 6, Walker teaches providing on-line self-instruction concerning financial matters over a global computer network (col. 2, lines 1-38). Walker discloses a user-friendly on-line computerized system that streamlines the processing of applications for products and services offered by a financial institution.

Re claim 7, Walker teaches providing system personnel conducting supplier training, monitoring performance and assisting in resolving disputes as a part of the providing and maintaining the approved supplier network (col. 6, lines 48 to col. 7, line 23). Walker discloses the LBR is the local branch representative helping the automated system to provide adequate information to applicants.

Re claim 8, Walker teaches establishing an on-site facility where the group is present to allow direct contact with the individual (col. 3, lines 28-36; col. 8, line 66 to col. 9, line 31). Walker enables on-site acceptance of credit requests and subsequent issuance of funds.

Re claim 10, Walker teaches assisting the individual in establishing good credit history, purchasing of insurance to cover the product, making prompt payment and servicing of the loan and exit counseling, all as a part of the managing the loan program (col. 6, lines 2-37; col. 13, lines 48-64). Walker's system assists in the back office credit decision process by recommending specific credit products with pre-determined credit qualified offer amounts, as well as identifying those applicants to which to offer more attractive credit product opportunities.

Re claim 11, Walker teaches establishing supplier performance assurances to meet after-sale requirements to help establish and maintain the integrity of the system as a part of the providing and maintaining the approved supplier network (col. 2, lines 24-43). Walker discloses automated loan processing to assure accurate amount of loan for an applicant.

Re claim 12, Walker teaches establishing a manufacturer's warranty and service contract as a part of the providing and maintaining the approved supplier network (col. 13, line 48 to col. 14, line 16). Walker discloses insurance information as a warranty and service contract for the supplier network.

Re claim 14, Walker teaches closed group is made up of individuals that are enlisted military personnel (col. 1, lines 19-24). Walker discloses association corresponding to a closed group of enlisted military personnel. An association is a formal organization of

Art Unit: 3624

people or groups of people. Thus, a closed group is made up of individuals that are enlisted military personnel is part of an association.

Claims **9** and **13** are rejected under 35 U.S.C. 103(a) as being unpatentable over Walker et al. (US 6,088,686) in view of Levitt et al. (US 2002/0035478) and further in view of Gill et al. (US 4,736,294).

Re claim **9**, Walker and Levitt do not explicitly teach limiting eligibility to qualify under the loan program of the network of financial institutions to a payment schedule of approximately 30% of income. On the other hand, Gill teaches limiting eligibility to qualify under the loan program of the network of financial institutions to a payment schedule of approximately 30% of income when he discloses financing up to and including 100% of the price of the car (col. 4, lines 16-31). As claimed in the limitation "approximately 30%" falls under Gill's disclosure of "up to and including 100%" since 30% is part of 100%. He also discloses eligibility is determined by applying certain information for the application. Thus, it would have been obvious to one of ordinary skill in the art to include approximately 30% of income when the allowable percentage is up to 100% eligibility of applicant's loan application as discloses in Gill.

Re claim **13**, Walker and Levitt do not explicitly teach product being purchased is a vehicle. On the other hand, Gill teaches product being purchased is a vehicle when he discloses administering a vehicle loan financing transaction (col. 2, lines 8-60; col. 3, lines 25-33). He discloses financing loan processing to purchase many types of vehicles such as trucks, boats, airplanes, recreational vehicles etc. Thus, it would have been obvious to one

Art Unit: 3624

of ordinary skill in the art to implement a financial loan process for a product being purchased is a vehicle as discloses in Gill.

Conclusion

The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

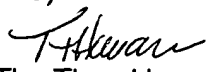
Kalthoff, US 6,026,382

McClelland et al., US 5,689,650

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Thu Thao Havan whose telephone number is (571) 272-8111. The examiner can normally be reached on Monday-Friday.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Vincent Millin can be reached on (571) 272-6747. The fax phone number for the organization where this application or proceeding is assigned is (571) 273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct-uspto.gov/>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at (866) 217-9197 (toll-free).


Thu Thao Havan
Art Unit: 3624
9/2/2006